

Department of Insurance

DIVISION SUMMARY:	FY 2003 Total Appr	FY 2003 Actual	FY 2004 Total Appr	FY 2005 Request	FY 2005 Gov Rec	FY 2005 Approp
BY PROGRAM						
Insurance Regulation	5,096,600	4,697,800	5,186,900	5,487,300	5,531,000	5,317,000
State Fire Marshal	833,300	753,500	842,000	935,000	934,200	934,200
Total:	5,929,900	5,451,300	6,028,900	6,422,300	6,465,200	6,251,200
BY FUND SOURCE						
Dedicated	5,775,100	5,296,500	5,874,100	6,255,000	6,247,100	6,083,700
Federal	154,800	154,800	154,800	167,300	218,100	167,500
Total:	5,929,900	5,451,300	6,028,900	6,422,300	6,465,200	6,251,200
Percent Change:		(8.1%)	10.6%	6.5%	7.2%	3.7%
BY EXPENDITURE CLASSIFICATION						
Personnel Costs	3,796,100	3,618,000	3,870,800	4,035,200	4,120,800	4,106,700
Operating Expenditures	2,019,800	1,779,700	2,038,600	2,235,100	2,192,400	1,992,500
Capital Outlay	111,500	51,100	117,000	149,500	149,500	149,500
Trustee/Benefit	2,500	2,500	2,500	2,500	2,500	2,500
Total:	5,929,900	5,451,300	6,028,900	6,422,300	6,465,200	6,251,200
Full-Time Positions (FTP)	68.50	68.50	69.50	69.50	70.50	70.50

The "FY 2005 Gov Rec" column reflects the Governor's original recommendation. The Governor later revised the recommendation for the Insurance Regulation program to \$5,517,000. The revision was the result of a reduction in the amount included for annualization costs relating to the Medicare Education Partnership program. In addition, the fund source was changed from federal to dedicated.

In accordance with Idaho Code §67-3519, this agency is authorized no more than 70.50 full-time equivalent positions at any point during the period July 1, 2004 through June 30, 2005 for the programs specified.

	FTP	Gen	Ded	Fed	Total
FY 2004 Original Appropriation	68.50	0	5,858,000	154,800	6,012,800
Supplementals	1.00	0	16,100	0	16,100
FY 2004 Total Appropriation	69.50	0	5,874,100	154,800	6,028,900
FTP or Fund Adjustment (Non-cognizable)	0.00	0	0	10,700	10,700
FY 2004 Estimated Expenditures	69.50	0	5,874,100	165,500	6,039,600
Removal of One-Time Expenditures	0.00	0	(117,000)	(10,700)	(127,700)
FY 2005 Base	69.50	0	5,757,100	154,800	5,911,900
Personnel Cost Rollups	0.00	0	78,000	0	78,000
Inflationary Adjustments	0.00	0	0	0	0
Replacement Items	0.00	0	146,300	0	146,300
Nonstandard Adjustments	0.00	0	(55,000)	10,500	(44,500)
Annualizations	0.00	0	22,000	0	22,000
Change in Employee Compensation	0.00	0	65,000	2,200	67,200
FY 2005 Program Maintenance	69.50	0	6,013,400	167,500	6,180,900
Enhancements	1.00	0	70,300	0	70,300
FY 2005 Total	70.50	0	6,083,700	167,500	6,251,200
Chg from FY 2004 Orig Approp.	2.00	0	225,700	12,700	238,400
% Chg from FY 2004 Orig Approp.	2.9%		3.9%	8.2%	4.0%

I. Department of Insurance: Insurance Regulation

STARS Number & Budget Unit: 280 INAB, 280 INAD(Cont), 280 INAE(Cont), 280 INAG(Cont), 280 INAH(Cont)

Bill Number & Chapter: H514 (Ch.3), H734 (Ch.38), H805 (Ch.282)

PROGRAM DESCRIPTION: The Insurance Regulation program is comprised of a Company Activities Bureau, Consumer Affairs Bureau, and a Support Services Bureau. The Company Activities Bureau is charged with monitoring the financial condition of all insurance entities licensed or approved to sell insurance in this state to ensure that each will be able to meet its obligations to policyholders and creditors. The Consumer Affairs Bureau licenses insurance agents, brokers, insurance counselors, third party administrators, adjusters, and managing general agents. The Consumer Affairs Bureau is also responsible for the Senior Health Insurance Benefits Advisors (SHIBA), a network of volunteers that provide information and counseling to senior citizens. The Support Services Bureau provides fiscal, information technology, personnel, and purchasing services to the Division of Insurance and the Division of the State Fire Marshal. [Statutory Authority: Idaho Code §41-201 et seq.]

PROGRAM SUMMARY:	FY 2003 Total Appr	FY 2003 Actual	FY 2004 Total Appr	FY 2005 Request	FY 2005 Gov Rec	FY 2005 Approp
BY FUND SOURCE						
Dedicated	4,941,800	4,543,000	5,032,100	5,320,000	5,312,900	5,149,500
Federal	154,800	154,800	154,800	167,300	218,100	167,500
Total:	5,096,600	4,697,800	5,186,900	5,487,300	5,531,000	5,317,000
Percent Change:		(7.8%)	10.4%	5.8%	6.6%	2.5%
BY EXPENDITURE CLASSIFICATION						
Personnel Costs	3,245,900	3,095,000	3,312,800	3,404,800	3,485,500	3,471,400
Operating Expenditures	1,752,400	1,551,600	1,771,000	1,952,700	1,915,700	1,715,800
Capital Outlay	95,800	48,700	100,600	127,300	127,300	127,300
Trustee/Benefit	2,500	2,500	2,500	2,500	2,500	2,500
Total:	5,096,600	4,697,800	5,186,900	5,487,300	5,531,000	5,317,000
Full-Time Positions (FTP)	59.50	59.50	60.50	59.50	60.50	60.50

DECISION UNIT SUMMARY:	FTP	General	Dedicated	Federal	Total
FY 2004 Original Appropriation	59.50	0	5,016,000	154,800	5,170,800
1. Medicare Education Partnership	1.00	0	16,100	0	16,100
FY 2004 Total Appropriation	60.50	0	5,032,100	154,800	5,186,900
Non-cognizable Increase	0.00	0	0	10,700	10,700
FY 2004 Estimated Expenditures	60.50	0	5,032,100	165,500	5,197,600
Removal of One-Time Expenditures	0.00	0	(100,600)	(10,700)	(111,300)
FY 2005 Base	60.50	0	4,931,500	154,800	5,086,300
Personnel Cost Rollups	0.00	0	67,500	0	67,500
Replacement Items	0.00	0	127,300	0	127,300
Nonstandard Adjustments	0.00	0	(54,100)	10,500	(43,600)
Medicare Education Partnership	0.00	0	22,000	0	22,000
Change in Employee Compensation	0.00	0	55,300	2,200	57,500
FY 2005 Total Appropriation	60.50	0	5,149,500	167,500	5,317,000
Change From FY 2004 Original Approp.	1.00	0	133,500	12,700	146,200
% Change From FY 2004 Original Approp.	1.7%		2.7%	8.2%	2.8%

SUPPLEMENTAL: H514 authorized 1 FTP and \$16,100 in dedicated fund spending authority for the Medicare Education Partnership. This reflects partial year funding for the position. The annualized amount is included in the FY 2005 budget.

APPROPRIATION HIGHLIGHTS: Personnel benefit costs were funded. No inflationary increases were funded. One-time replacement items included \$127,300 in capital outlay (\$41,300 for 25 PCs, \$6,000 for 2 laptops, \$60,000 for 2 servers, \$5,700 for 5 printers, \$9,800 for 2 photocopiers, \$3,600 for 2 fax machines and \$900 for a digital camera). Nonstandard adjustments reflect changes in Attorney General, Controller and Treasurer fees, and risk management rates. A 2% Change in Employee Compensation (CEC) increase was fully funded, with an additional one-time 1% CEC contingent upon a prescribed ending balance in the General Fund at the end of fiscal year 2004 (H805).

ANALYST COMMENT: The "FY 2005 Gov Rec" column reflects the Governor's original recommendation. The Governor later revised the recommendation for the Insurance Regulation program to \$5,517,000. The revision was the result of a reduction in the amount included for annualization costs relating to the Medicare Education Partnership program. In addition, the fund source was changed from federal to dedicated.

FY 2005 APPROPRIATION:	FTP	Pers. Cost	Oper Exp	Cap Out	T/B Pymnts	Lump Sum	Total
D 0229-10 Self-Governing, Oper	59.50	3,277,900	1,659,400	0	0	0	4,937,300
OT D 0229-10 Self-Governing, Oper	0.00	0	0	127,300	0	0	127,300
D 0349-00 Miscellaneous Rev	1.00	76,900	8,000	0	0	0	84,900
F 0348-00 Federal Grant	0.00	116,600	48,400	0	2,500	0	167,500
Totals:	60.50	3,471,400	1,715,800	127,300	2,500	0	5,317,000

II. Department of Insurance: State Fire Marshal

STARS Number & Budget Unit: 280 INAC

Bill Number & Chapter: H734 (Ch.38), H805 (Ch.282)

PROGRAM DESCRIPTION: The State Fire Marshal focuses on fire prevention and arson investigation. This is done by enforcing the Uniform Fire Code, investigating suspected arson or fraud, and educating the public in matters of fire prevention and hazardous conditions in buildings or premises. [Statutory Authority: Idaho Code §41-253 - 268]

PROGRAM SUMMARY:	FY 2003 Total Appr	FY 2003 Actual	FY 2004 Total Appr	FY 2005 Request	FY 2005 Gov Rec	FY 2005 Approp
BY FUND SOURCE						
Dedicated	833,300	753,500	842,000	935,000	934,200	934,200
Percent Change:		(9.6%)	11.7%	11.0%	11.0%	11.0%
BY EXPENDITURE CLASSIFICATION						
Personnel Costs	550,200	523,000	558,000	630,400	635,300	635,300
Operating Expenditures	267,400	228,100	267,600	282,400	276,700	276,700
Capital Outlay	15,700	2,400	16,400	22,200	22,200	22,200
Total:	833,300	753,500	842,000	935,000	934,200	934,200
Full-Time Positions (FTP)	9.00	9.00	9.00	10.00	10.00	10.00
DECISION UNIT SUMMARY:	FTP	General	Dedicated	Federal	Total	
FY 2004 Original Appropriation	9.00	0	842,000	0	842,000	
Removal of One-Time Expenditures	0.00	0	(16,400)	0	(16,400)	
FY 2005 Base	9.00	0	825,600	0	825,600	
Personnel Cost Rollups	0.00	0	10,500	0	10,500	
Replacement Items	0.00	0	19,000	0	19,000	
Nonstandard Adjustments	0.00	0	(900)	0	(900)	
Change in Employee Compensation	0.00	0	9,700	0	9,700	
FY 2005 Maintenance (MCO)	9.00	0	863,900	0	863,900	
2. Statewide Prevention & Ed. Position	1.00	0	70,300	0	70,300	
FY 2005 Total Appropriation	10.00	0	934,200	0	934,200	
Change From FY 2004 Original Approp.	1.00	0	92,200	0	92,200	
% Change From FY 2004 Original Approp.	11.1%		11.0%		11.0%	

APPROPRIATION HIGHLIGHTS: Personnel benefit costs were funded. No inflationary increases were funded. One-time replacement items included \$19,000 in capital outlay (\$5,000 for 3 PCs, \$6,000 for 2 laptops, \$3,500 for 3 printers, and \$4,500 for one workstation). Nonstandard adjustments reflect changes in Controller and Treasurer fees. A 2% Change in Employee Compensation (CEC) increase was fully funded, with an additional one-time 1% CEC contingent upon a prescribed ending balance in the General Fund at the end of fiscal year 2004 (H805). One enhancement was funded which provides for 1 FTP and \$70,300 in dedicated fund spending authority for a statewide fire prevention/education position.

FY 2005 APPROPRIATION:	FTP	Pers. Cost	Oper Exp	Cap Out	T/B Pymnts	Lump Sum	Total
D 0229-11 State Fire Marshal	10.00	635,300	276,700	0	0	0	912,000
OT D 0229-11 State Fire Marshal	0.00	0	0	22,200	0	0	22,200
Totals:	10.00	635,300	276,700	22,200	0	0	934,200